

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D. C.

DR

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SEP 3 1959

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My dear Mr. Dulles:

The President requests that the head of each agency share his great concern about the need for Spartan economy in the Government. He has asked me to communicate this to you and to seek your active cooperation in reducing civilian force levels in order (a) to obtain maximum absorption of increased civilian pay costs, and (b) to promote greater efficiency among the Federal services.

The goal which the President desires to achieve will require that employment levels for 1959 be at least two percent below those that can reasonably be financed from funds made available by Congress for the agency's regular operating program. Where two percent is not an appropriate reduction, the objective should be the minimum employment necessary in discharge of agency responsibilities. The goal should be achieved by not filling vacancies as they occur and by withholding establishment of new positions.

The head of each agency is requested to give personal direction to this program and to plan his operations for the fiscal year 1959 so as to accomplish it. Any agency head who feels that his operations will be seriously impaired by such reduction should present the facts to the Bureau of the Budget in submitting his regular financial plan to the Bureau in October. Each agency should submit monthly reports, beginning November 1, indicating the actions taken and the results achieved.

Sincerely yours,

Merwin H. Stein
Director

Honorable Allen W. Dulles
Director of Central Intelligence
Central Intelligence Agency
Washington 25, D. C.